

**PUBLIC OVERSIGHT BRIEFING ON:**  
**THE DISTRICT OF COLUMBIA'S CAPITAL**  
**IMPROVEMENT PROGRAM**  
**BEFORE**  
**THE COMMITTEE OF THE WHOLE**  
**LINDA W. CROPP, CHAIRMAN**  
**COUNCIL OF THE DISTRICT OF COLUMBIA**



**TESTIMONY OF STANLEY JACKSON**  
**DIRECTOR**  
**DEPARTMENT OF HOUSING AND**  
**COMMUNITY DEVELOPMENT**

**THURSDAY, JANUARY 27, 2005**

**GOOD MORNING CHAIRMAN CROPP, MEMBERS OF THE COUNCIL AND STAFF. I AM STANLEY JACKSON, DIRECTOR OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD OR THE DEPARTMENT). I AM PLEASED TO PROVIDE YOU WITH AN UPDATE ON THE DEPARTMENT'S SPENDING OF ITS FY 2004 CAPITAL IMPROVEMENT BUDGET AND THE PROPOSED SPENDING PLAN FOR FY 2005.**

**IN GENERAL, DHCD USES CAPITAL IMPROVEMENT PROGRAM FUNDS TO FACILITATE THE CONSTRUCTION OF STREET AND PUBLIC INFRASTRUCTURE IMPROVEMENTS ASSOCIATED WITH:**

- (1) DEVELOPMENT OF NEW AFFORDABLE HOUSING;**
- (2) CONSTRUCTION OF NEW COMMUNITY FACILITIES; AND**
- (3) IMPROVEMENTS TO STREETScape ELEMENTS IN TARGETED NEIGHBORHOOD COMMERCIAL AREAS.**

**DHCD'S APPROVED TOTAL CAPITAL IMPROVEMENT BUDGET THROUGH SEPTEMBER 30, 2004 WAS \$49,770,176, WITH EXPENDITURES AND OBLIGATIONS OF \$45,117,205 THROUGH**

**SEPTEMBER 30, 2004, LEAVING \$4,652,971 OF AVAILABLE BUDGET AUTHORITY CARRIED FORWARD TO FY 2005. OF THE TOTAL \$49.7 MILLION AVAILABLE BUDGET, \$44 MILLION PROVIDED FUNDING IN TWO MAJOR PROJECT AREAS:**

- (A) FT. LINCOLN UTILITIES; AND**
- (B) AFFORDABLE HOUSING.**

**IN ADDITION TO THE BUDGET AUTHORITY LISTED ABOVE, DHCD ALSO ADMINISTERS \$3,000,000 OF FEDERALLY FUNDED CAPITAL IMPROVEMENTS TO THE SOUTHWEST WATERFRONT.**

**DHCD IS ALSO THE IMPLEMENTING AGENCY FOR THE NEIGHBORHOOD REVITALIZATION PROJECT ON BEHALF OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT (DMPED). THE NEIGHBORHOOD REVITALIZATION PROJECT CONSISTS OF TWO SUBPROJECTS, COLUMBIA HEIGHTS AND GEORGIA AVENUE/SHAW. FUNDING FOR THESE ACTIVITIES TOTALED \$2.7 MILLION.**

**(A) FT. LINCOLN UTILITIES**

**THE BUDGET TO DATE FOR THE FT. LINCOLN UTILITIES IS \$8,432,409, WITH EXPENDITURES THROUGH SEPTEMBER 30, 2004 OF \$6,593,575, LEAVING 1,838,834 OF AVAILABLE BUDGET AUTHORITY FOR FY 2005. THE FUNDS ARE BEING UTILIZED TO COMPLETE THE CONSTRUCTION OF STREETS AND STORM WATER MANAGEMENT FACILITIES AT FT. LINCOLN, ALONG THE LOWER EASTERN PORTION OF THE SITE IN WARD 5, LOCATED NEAR THE INTERSECTION OF SOUTH DAKOTA AND NEW YORK AVENUE IN NORTHEAST.**

**OF THE \$1.8 MILLION BUDGETED TO THIS ACTIVITY, THE DEPARTMENT ANTICIPATES EXPENDITURES OF \$2.6 MILLION IN FY 2005. THE BALANCE OF THE REQUIRED FUNDS WILL BE MADE AVAILABLE THROUGH PROPOSED REPROGRAMMINGS IN FY 2005. THIS PROJECT IS FUNDED FOR COMPLETION OF STORM WATER MANAGEMENT INFRASTRUCTURE FOR THE UNION WESLEY PROJECT, THE BARNEY RIDGE/SHOPPING CENTER PROJECT, AND OTHER STORM WATER MANAGEMENT INFRASTRUCTURE PROJECTS FOR UPCOMMING HOUSING DEVELOPMENTS. DELAYS**

**IN SPENDING HAVE BEEN CAUSED BY OBTAINING ANCHOR  
RETAIL TENANTS BY THE SHOPPING CENTER DEVELOPER AND  
ZONING PERMIT APPROVALS FOR OTHER HOUSING  
DEVELOPMENTS.**

**(B) AFFORDABLE HOUSING**

**THE AFFORDABLE HOUSING PROJECT CONSISTS OF FIVE  
SUBPROJECTS WITH A TOTAL BUDGET OF \$34,621,956,  
EXPENDITURES AND OBLIGATIONS OF \$31,985,357 THRU  
SEPTEMBER 30, 2004, LEAVING 2,636,599 OF AVAILABLE BUDGET  
AUTHORITY IN FY 2005.**

**SUBPROJECT (01) MULTIPLE AREAS**

**THE MULTIPLE AREA PROJECTS REPRESENT THE DESIGN AND  
CONSTRUCTION OF PUBLIC INFRASTRUCTURE (WATER MAINS,  
SEWER SYSTEMS, STREET AND PRIMARY ELECTRICAL SERVICE)  
AND SITE AND STREET IMPROVMENTS (GUTTERS, CURBS AND  
SIDEWALKS) INCONJUNCTION WITH THE REHABILITATION OF  
HOUSING UNITS DISTRICT WIDE.**

**THE BUDGET TO DATE FOR AFFORDABLE HOUSING MULTIPLE AREAS IS \$18,036,403. TO DATE, ALL FUNDS HAVE BEEN OBLIGATED OR EXPENDED. THIS PROJECT CURRENTLY HAS \$5.5 MILLION IN OBLIGATIONS UTILIZED FOR THE FOLLOWING TWO INITIATIVE:**

**(1) SITE INFRASTRUCTURE IMPROVEMENTS ON THE FREDERICK DOUGLAS/STANTON HOPE VI HOUSING PROJECT FOR WHICH \$1,000,000 HAS BEEN SPENT. AT THE REQUEST OF THE DISTRICT OF COLUMBIA HOUSING AUTHORITY (DCHA), THE REMAINING \$2,000,000 OF OBLIGATED FUNDS FOR THE FREDERICK DOUGLAS/STANTON HOPE VI NOT NEEDED FOR THAT PROJECT, IS BEING REALLOCATED IN FY 2005 TO THE DCHA FOR USE ON SITE INFRASTRUCTURE AND DEVELOPMENT COSTS ON THE ARTHUR CAPPER/CARROLLSBURG HOPE VI PROJECT.**

**(2) ENVIRONMENTAL REMEDIATION AT THE CAMP SIMMS SITE DEVELOPMENT IN THE AMOUNT OF \$3,500,000. FUNDING FOR THIS PROJECT WAS PULLED FROM THREE CAPITAL AREAS; FT. LINCOLN, BELLVUE AND MULTIPLE AREAS. EXPECTED COMPLETION DATE IS FEBRUARY 2005.**

**SUBPROJECT (02) ACQUISITION**

IN FY 2004, ALL ACQUISITION BUDGET AUTHORITY WAS TRANSFERRED TO THE DMPED.

**SUBPROJECT (03) EAST CAPITOL DWELLING HOPE VI**

THE BUDGET TO DATE FOR THE EAST CAPITOL DWELLING HOPE VI IS \$7,000,000. WHILE WE HAVE SPENT AND OR OBLIGATED APPROXIMATELY \$7,000,000, SPENDING DELAYS HAVE BEEN CAUSED BY UNANTICIPATED ENVIRONMENTAL REMEDIATION OF UNDERGROUND OIL TANKS AND DELAYS IN RECEIPT OF DEMOLITION PERMITS. IN ADDITION, A CHANGE OF DEVELOPMENT PLANS WAS CAUSED BY THE US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S REQUIREMENT THAT TWO APARTMENT TOWERS LOCATED ON THE PROPERTY BE REHABILITATED. THE FUNDS ARE ALSO BEING USED FOR DESIGN AND CONSTRUCTION OF ROADS AND OTHER SITE INFRASTRUCTURE.

**SUBPROJECT (04) FAR SE/SW BELLEUE NEIGHBORHOOD**

**TOTAL BUDGET TO DATE FOR THE FAR SE/SW BELLEVUE NEIGHBORHOOD IS \$5,634,000. THE FUNDS ARE BEING USED FOR ACQUISITION AND RELATED DEMOLITION OR REHABILITATION OF PROPERTIES LOCATED AT FORRESTER STREET , SW, HALLEY TERRACE, SW, DANBURY STREET, SW, AND GALVESTON PLACE, SW; INFRUSTRUCTURE ALONG SOUTH CAPITAL AND ELMIRA STREET. DHCD HAS SPENT 1,081,955 FOR DEMOLITION OF THE CHADWICK APARTMENTS ON DANBURY STREET, SW., AND FOR SEVERAL PROPERTY ACQUISITIONS. \$1.9 MILLION WAS INTRADISTRICTED TO THE DC DEPARTMENT OF TRANSPORTATION. APPROXIMATELY \$2.6 MILLION HAS BEEN SET ASIDE FOR THE SUBSTANTIAL REHABILITATION OF THE WASHINGTON HIGHLANDS LIBRARY LOCATED IN THE BELLEVUE NEIGHBORHOOD.**

**SUBPROJECT (05) RENOVATE LINCOLN THEATRE**

**CURRENT BUDGET AVAILABLE FOR ONGOING RENOVATIONS AT THE LINCOLN THEATRE IS \$100,000. WE WILL COMPLETE THE SPENDING IN FY 2005.**



**(C) SOUTHWEST WATERFRONT IMPROVEMENTS**

**FUNDING FOR THE SOUTHWEST WATERFRONT IMPROVEMENTS INVOLVES THE USE OF CONGRESSIONALLY APPROPRIATED FUNDS THAT ARE BEING TRACKED AND ACCOUNTED AS DISTRICT CAPITAL FUNDING. THE FUNDS WILL BE UTILIZED FOR DESIGN AND CONSTRUCTION OF THE VARIOUS IMPROVEMENTS TO THE MARINA AND MUNICIPAL FISH WHARF. WE HAVE SPENT \$2.4 OF THE \$3 MILLION OF FUNDING, WITH THE REMAINING BALANCE TO BE EXPENDED IN FY 2005.**

**DMPED – NEIGHBORHOOD REVITALIZATION SUBPROJECT LINE**

**(EB2)**

**THE NEIGHBORHOOD REVITALIZATION SUBPROJECT LINE (EB2) CONSISTS OF TWO SUBPROJECTS—GEORGIA AVENUE AND COLUMBIA HEIGHTS. DHCD ADMINISTERS THIS ACTIVITY ON BEHALF OF THE DMPED. IN CONJUNCTION WITH THE DMPED, WE HAVE DEVELOPED A SPENDING PLAN FOR THE GEORGIA AVENUE SUBPROJECT THAT INVOLVES ACQUISITION OF PROPERTIES TO ASSEMBLE A DEVELOPMENT SITE IN THE VICINITY OF THE PETWORTH METRO STATION. SIMILARLY, FOR THE COLUMBIA**

**HEIGHTS SUBPROJECT, DHCD IS COORDINATING THROUGH THE DMPED OFFICE SPECIFIC SPENDING PLANS RELATED TO THE RENOVATION OF THE TIVOLI THEATER. ALL FUNDS FOR THIS ACTIVITY HAVE BEEN EXPENDED EXCEPT FOR APPROXIMATELY \$177,000 IN AVAILABLE BUDGET AND \$400,000 IN UNLIQUIDATED OBLIGATIONS. WE EXPECT TO SPEND THE BALANCE OF THESE FUNDS IN FY 2005.**

**FY 2005 FUNDING**

**IN FY 2005, DHCD HAS ONE AFFORDABLE HOUSING SUB PROJECT THAT RECEIVED FUNDING. THIS PROJECT IS THE HIGHLAND ADDITION UTILITY INFRASTRUCTURE PROJECT. THE \$1.6 MILLION BUDGETED FOR THIS ACTIVITY WILL BE USED BY THE DC HOUSING AUTHORITY TO HELP FUND THE CONSTRUCTION OF WATER AND SEWER INFRASTRUCTURE ASSOCIATED WITH THE REDEVELOPMENT OF THE VACANT SITE THAT WAS PART OF THE FORMER HIGHLAND ADDITIONS PUBLIC HOUSING PROJECT. THE REDEVELOPED SITE WILL HAVE APPROXIMATELY 50 UNITS OF AFFORDABLE RENTAL HOUSING UNITS AND 100 UNITS OF FOR-SALE HOUSING UNITS (2/3 OF WHICH WILL BE AFFORDABLE).**

**CHAIRMAN CROPP, THIS CONCLUDES MY TESTIMONY. I AM PLEASED TO ANSWER ANY QUESTIONS YOU AND THIS COMMITTEE MAY HAVE FOR ME REGARDING DHCD'S FY 2004 CAPITAL IMPROVEMENT SPENDING AND PROPOSED FY 2005 SPENDING.**